

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT HELD JUNE 3, 2013

A special meeting of the Board of Directors (referred to hereafter as the "Board") of the Dancing Willows Metropolitan District (referred to hereafter as the "District") was convened on Monday, the 3rd day of June, 2013, at 6:30 P.M., at the Community Clubhouse, 11893 W. Long Circle, Littleton, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Bobby Thomas
William A. Anderson
William A. Bristol
Robert "Lee" Jennings

Also In Attendance Were:

Lisa A. Johnson and George Turtle; Special District Management Services, Inc.

MaryAnn McGeady, Esq.; McGeady Sisneros, P.C.

John Simmons; Simmons & Wheeler, P.C.

Doug Edwards; Remington Homes

See attached sign-in sheet for additional attendees.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

It was noted that a quorum was present and members of the Board were asked to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and such disclosures will be incorporated for the record along with those applicable disclosures made by the Board members prior to this meeting in accordance with the statute.

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It was noted that Director Bristol has a personal relationship with Stillwater Community Management, LLC. His son and daughter in-law, Scott and Holly Bristol, are owners and employees of Stillwater Community Management, LLC. It was also noted that the District entered into a Service Agreement for Clubhouse Management with Stillwater Community Management, LLC dated January 7, 2011. Director Bristol does not feel that this relationship constitutes a conflict of interest.

Director Jennings disclosed his position as a board member on the Dancing Willows Patio Homes Homeowners Association.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Bristol and, upon vote, unanimously carried, the Agenda was approved, as amended.

Resignation of Director, Candidate Questionnaires and Consideration of Appointment of Director: The resignation of Director Walker was acknowledged. Ms. Johnson reported that three interested candidates had submitted completed questionnaires.

Susan Root addressed the Board and explained her qualifications and interest to serve on the Board. She noted that her background is that of a medical professional and that she has experience with budgeting and has served as a director on other boards.

Terry Railton addressed the Board and stated that he feels the two other candidates would have more time to dedicate to the District. Having said this, Mr. Railton rescinded his interest in serving on the Board of Directors.

Thom Nolan then addressed the Board. He noted that he is an attorney and has served on homeowner boards in the past. He has experience in reviewing, approving and implementing budgets. He stated that he enjoys living in the District and is willing to serve the community.

Following the presentations, the Board asked for a vote from the community members present at the meeting. The majority of the community members indicated that they would like Ms. Root to be appointed to the Board of Directors.

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The Board considered the appointment of a director to fill the vacancy created by the resignation of James “Don” Walker. Directors Bristol, Thomas and Anderson expressed their preference for the appointment of Thom Nolan. Director Jennings expressed his preference for the appointment of Susan Root.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Bristol and, upon vote, unanimously carried, Thom Nolan was appointed to fill the vacancy created by the resignation of James “Don” Walker. The Oath of Director was administered.

Appointment of President: The Board discussed the need to fill the position of President, due to the resignation of Director Walker.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, unanimously carried, the Board appointed Director Anderson as President.

Minutes: The Board reviewed the Minutes of the November 14, 2012 regular meeting, the January 16, 2013 special meeting, the March 4, 2013 special meeting and the March 10, 2013 continued special meeting.

Following discussion, upon motion duly made by Director Bristol, seconded by Director Jennings and, upon vote, unanimously carried, the Board approved the Minutes of the November 14, 2012 regular meeting, the January 16, 2013 special meeting, the March 4, 2013 special meeting and the March 10, 2013 continued special meeting.

District Website: The Board entered into discussion regarding the District’s website. Ms. Johnson noted that the Project Request Form for website services had been completed and transmitted to the Statewide Internet Portal Authority of Colorado (SIPA) and that the District is in the queue and awaits notice from SIPA to begin the training process and creation of the site.

Builder’s Report: Doug Edwards with Remington Homes (“Remington”) reported to the Board on the status of repairs and other matters concerning the developer in the community.

Mr. Edwards reported that Remington has received a request regarding the fencing along Bowles Avenue. He will work with the Monuments and Fences Committee to arrange for the fencing to be cleaned and stained and the stone pillars to be straightened.

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Mr. Edwards confirmed that Remington will schedule repairs on the paved roads when both townhome buildings are fully constructed and also at the same location where the two final townhomes are to be built. Remington will formally notify the District of the date they plan to start the road repairs. Planned work will include repairs to Ida Drive east of Union Court that was damaged by the heavy construction traffic.

Mr. Edwards reported that Remington will be repairing the curb and gutter in areas where construction is complete and around the roundabout.

Mr. Edwards then discussed the build-out calendar with the Board. He noted that the patio homes and condominiums are expected to be completed by the end of the year. The townhomes are expected to be completed by the end of the year or beginning of 2014.

Mr. Edwards reported that Remington has contacted Jefferson County regarding the heavy drainage from the adjacent church parking lot and is currently awaiting a response.

Mr. Edwards noted that he will discuss straightening the street signs with Remington's Project Manager, Jake.

Attorney McGeady suggested that any additional roads or curbs and gutters in need of repair be reported to the Board and then the Board can review these matters in the final walk-through with Remington Homes.

CONSENT AGENDA **Consent Agenda:** The Board considered the following actions:

- Ratify approval of notes from December 5, 2012 work session.
- Ratify approval of Resolution No. 2013-01-01 regarding 24-hour posting place.
- Ratify approval of the following items:
 - Pool and Clubhouse:
 - Repair and Maintenance Budget as passed at the March 4, 2013 and March 10, 2013 meetings.
 - Purchase chaise lounges in 2013 for an amount not to exceed \$770.
 - Purchase various clubhouse chairs and tables for an amount not to exceed \$2,985.
 - Change Order to Service Agreement for Pool and Spa Maintenance with Apollo Aquatics, Inc. for pool repairs (re-plumb the pool boiler, install louvered vents

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- in the door, convert the pool/spa fill lines and eliminate the deckside fills) for \$2,800.
- Quarterly clubhouse cleaning (\$150/quarter).
- Landscaping:
 - Annual flowers (for \$100).
 - Change Order to Service Agreement for Landscape Maintenance with Keesen Landscape Management, Inc. for replacement of plants at pool and clubhouse for \$3,542.
 - 4 Evergreen trees (\$2,000).
- Monuments:
 - Service Agreement for Electrical Services between the District and Sturgeon Electric Company, Inc. in the amount of \$3,927.
- Streets, Sidewalks and Underdrains:
 - Pursue engineering evaluation for necessary street repairs and assistance in setting priorities for repairs.
 - Service Agreement for Pavement Evaluation Services between the District and CTL/Thompson Materials Engineers Inc.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

Director Anderson's Report: Director Anderson reported on the status of the pool and clubhouse action items. He noted the following:

Clubhouse: Thirty chairs were purchased at a cost of \$646.07. The Repair and Maintenance Budget called for 16 chairs at a cost of \$1,600.

Folding tables have not yet been purchased. It is expected to be done this month.

Director Anderson noted that he is considering holding off on purchasing folding chairs as the District has more regular chairs. This is an attempt to reduce expenditures.

The Clubhouse was cleaned during the second quarter per the budget at a cost of \$150.

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Pool: The pool was opened on time for the 2013 season. Five matching chaise lounge chairs have been ordered along with five matching regular pool chairs at a cost of \$1,065 versus the budgeted amount of \$1,170. This is a savings of \$105.

The re-plumbing of some of the pool piping has been ordered at the budgeted amount of \$2,800 and should be completed this month. The work will not affect the use of the pool.

The pool drinking fountain was repaired at a cost of \$24.20 for the necessary part. There was no charge for the labor.

Additional pool signs indicating no glass containers are allowed were purchased and installed for the total cost of \$160.92.

Director Anderson also adjusted the spring tension on the gates to allow them to close properly.

Recommendations: Director Anderson strongly recommended that the District purchase a pool cover to protect the plaster coating of the pool. Apollo Aquatics, Inc., the District's pool contractor, has to use acid washing to clean the sides of the pool each spring and if they continue doing this it will necessitate re-plastering much sooner than expected at a cost of approximately \$24,000 to \$28,000. The cost of a pool cover is approximately \$7,000.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims through the periods ending:

Fund	Period Ending Dec. 12, 2012	Period Ending Jan. 16, 2013	Period Ending Feb. 14, 2013
General	\$ 6,766.49	\$ 19,992.94	\$ 7,537.99
Debt Service	\$ -0-	\$ 300.00	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims:	\$ 6,766.49	\$ 20,292.94	\$ 7,537.99

Fund	Period Ending Mar. 13, 2013	Period Ending Apr. 11, 2013	Period Ending May 16, 2013
General	\$ 13,114.36	\$ 6,728.73	\$ 13,422.35
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims:	\$ 13,114.36	\$ 6,728.73	\$ 13,422.35

Following discussion, upon motion duly made by Director Thomas, seconded by Director Jennings and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

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Financial Statements: Mr. Turtle presented to the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers and the schedule of cash position for the period ending March 31, 2013.

Following review, upon motion duly made by Director Bristol, seconded by Director Thomas and, upon vote, unanimously carried, the unaudited financial statements and the schedule of cash position for the period ending March 31, 2013 were accepted.

Monthly Financial Statements: The Board then discussed the preparation of financial statements on a monthly basis as opposed to the current practice of preparing them on a quarterly basis.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the preparation of financial statements on a monthly basis.

2012 Audit: Mr. Simmons reviewed the 2012 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Jennings, seconded by Director Bristol and, upon vote, unanimously carried, the Board approved the 2012 Audited Financial Statements and authorized execution of the Representations Letter.

2014 Budget Preparation: The Board discussed the preparation of the 2014 Budget. The Board determined to constitute a Budget Committee which consists of Directors Bristol, Jennings and resident Susan Root.

Following discussion, upon motion duly made by Director Nolan, seconded by Director Thomas and, upon vote, unanimously carried, the Board appointed the Budget Committee to prepare the 2014 Budget. The Board determined to hold the public hearing to consider adoption of the 2014 Budget on Wednesday, November 13, 2013 at 6:30 p.m. at the regular meeting location.

The Board and Budget Committee will hold a work session prior to October 15, 2013 to prepare the budget and allow for public participation.

Communications Committee: The Board entered into discussion regarding the need for a Communications Committee to be made up of volunteers from the community. The responsibility of the Communications Committee is to receive information on the District's meetings and other activities and to circulate the information appropriately.

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Ms. Jo Wessels offered to serve on the committee. Ms. Wessels will transmit any and all e-mail correspondence, such as meeting packets, to the community via her distribution list. She will also update the District information related to who the community should contact with Dancing Willows Metropolitan District questions.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, carried with Directors Jennings, Thomas, Anderson and Bristol voting "Yes" and Director Nolan voting "No", the Board approved the formation of a Communications Committee.

Bank Accounts Access: The Board entered into discussion regarding online access to the District's Wells Fargo and COLOTRUST bank statements for the directors.

Following discussion, the Board approved online access for the directors to the District's Wells Fargo and COLOTRUST bank statements.

PUBLIC COMMENTS

Public Comments: Comments from the public were made throughout the meeting and are noted under each appropriate section of these Minutes.

OPERATIONS AND MAINTENANCE

Repair and Maintenance Items: The committees reported to the Board on the status of certain repair and maintenance items.

CTL/Thompson Materials Engineers, Inc.'s ("CTL") Recommendations for Road Maintenance: Director Bristol reported to the Board that CTL has submitted a budget and map of areas that they have identified for repair. The preliminary amount budgeted for this work is \$56,000. Director Bristol will work with the contractor to finalize the report.

Sidewalk Repairs: Director Bristol distributed to the Board his Sidewalk Repair Status Report which is attached hereto and incorporated herein by this reference. Due to rising concrete costs and an increase in building activity, Director Bristol recommended having the work bid to see if better pricing can be achieved.

Monuments and Fences Committee Report: Director Jennings gave an update on the activities of the Monuments and Fences Committee. He reported that the Committee solicited proposals for monument and fence repairs and that four proposals were received. The Board then reviewed the lowest proposal received from Split-Rail Fence Company, Inc. to repair the fence for the amount of \$2,286.96.

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Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the proposal from Split-Rail Fence Company, Inc. to repair the fence for the amount of \$2,286.96.

Service Agreement for Snow Removal Services (2013-2014) between the District and Keesen Landscape Management, Inc.: The Board entered into discussion regarding a Service Agreement for Snow Removal Services (2013-2014) between the District and Keesen Landscape Management, Inc.

Following discussion, upon motion duly made by Director Thomas, seconded by Director Jennings and, upon vote, unanimously carried, the Board approved the Service Agreement for Snow Removal Services (2013-2014) between the District and Keesen Landscape Management, Inc.

Service Agreement for 2014 Landscape Maintenance Services between the District and Keesen Landscape Management, Inc.: The Board entered into discussion regarding a Service Agreement for 2014 Landscape Maintenance Services between the District and Keesen Landscape Management, Inc.

Following discussion, upon motion duly made by Director Bristol, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the Service Agreement for 2014 Landscape Maintenance Services between the District and Keesen Landscape Management, Inc.

Management of Clubhouse Reservations: The Board entered into discussion regarding the management of clubhouse reservations. Four members of the community volunteered to manage the clubhouse reservations.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Bristol and, upon vote, unanimously carried, the Board approved the creation of a Clubhouse Reservation Committee and appointed volunteers Bob and Sharon Vaninger and back up volunteers Robert and Renee Faiks to serve on the Clubhouse Reservation Committee.

OTHER BUSINESS

2013 SDA Conference: Ms. Johnson asked the Board members if they would be interested in attending the 2013 SDA Conference.

Following discussion, the Board authorized Directors Thomas and Anderson to attend the 2013 SDA Conference.

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District Credit Card: The Board entered into discussion regarding obtaining a credit card for District purchases.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Nolan and, upon vote, unanimously carried, the Board directed staff to obtain one credit card for the District for use to purchase items by Board members between meetings that are a part of the approved budget.


ADJOURNMENT

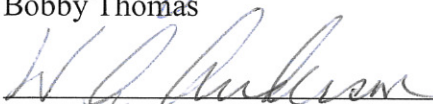
There being no further business to come before the Board at this time, upon motion duly made by Director Jennings, seconded by Director Thomas, and upon vote, unanimously carried, the meeting was adjourned.

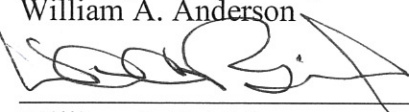
Respectfully submitted,

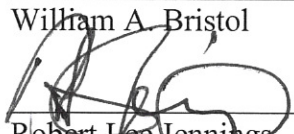
By _____
Secretary for the Meeting

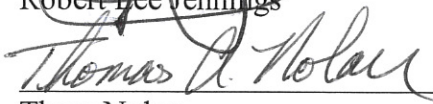
THESE MINUTES APPROVED AS THE OFFICIAL JUNE 3, 2013 MINUTES OF THE DANCING WILLOWS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

_____
Bobby Thomas

_____
William A. Anderson

_____
William A. Bristol

_____
Robert Lee Jennings

_____
Thom Nolan

DANCING WILLOWS METROPOLITAN DISTRICT

SIGN-IN SHEET FOR JUNE 3, 2013

Please print your name, address and phone number, and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS (Postal and Email)	TELEPHONE	ISSUES TO BE ADDRESSED
Bob Raguso	5727 S. Urban Ct	303-953-0890	
Jon STEINMETZ	5707 S URBAN CT	720-502-7476	
Kay Anderson	11995 West Ida Drive	303-972-8167	
Gloria Steinmetz	5707 S URBAN CT	720-502-7476	
Lynda Black	5838 S. Urban way	31638-6064	keyforco.fear
Bob + Sharon Vaninger	5732 S Urban Ct	31875-6433	
Greg + Susan Root	5730 S. Van Gordon Way	720-283-8083	
Marcia Garra	11923 W Spring Cir	303-979-8847	
Chuck + Barb DANFORD	12340 W. GOULD PL.	303-768-9090	
Judy Jennings	5721 S. Van Gordon way	31470-3577	
Jo Wessels	5774 S. Vivian St.	303-973-1159	name?
Robert + Renee Fink's	5812 to Taft Way	720-242-8397	

CAROL BAKER	11952 W. LONG CIR. #101	UNIT 101	720-708-4555	
KAY JACKSON	11952 W. LONG CIR. #105		(808) 870-2410	
Craig Couture	11973 W. Long Circle #103		(303) 703-1707	
Doug Edwards	9468 W 58th Ave. Arvada		303 420-2818	
MICHAEL MADRICH	11932 W LONG CIR		860-917-9078	
Don Banghart	11955 W EDA DR		303 674 1200	
Bill + Karen Kaseman	12311 W. Idle Pl.		303-237-0199	
SHERYL R GOLDSON	12327 W Gould Ave		1203019370	
GEORGE A KENNEDY	5837 SALTWATER WY		720 4312405	
Cheryl Gunn	12112 W. Long Cir. #103		3-598-8714	
KEVIN	5721 S Van Gorder Ave		3770-3577	

RESOLUTION NO. 2013-01-01
RESOLUTION OF THE BOARD OF DIRECTORS
OF DANCING WILLOWS METROPOLITAN DISTRICT
REGARDING POSTING FOR MEETINGS

WHEREAS, Special Districts are required by Subsection 24-6-402(2)(c), C.R.S., to designate annually at the District Board's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DANCING WILLOWS METROPOLITAN DISTRICT AS FOLLOWS:

1. Notices of meetings of the District Board required pursuant to Section 24-6-401, et seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

Community Clubhouse
11893 West Long Circle
Littleton, Colorado 80127

2. Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall continue to be made pursuant to Section 32-01-903(2), C.R.S.

ADOPTED this 16th day of January, 2013.

DANCING WILLOWS METROPOLITAN
DISTRICT



Secretary to the Board

DWMD Sidewalk Repair
Status Report
6/3/2013

I met with Titan Concrete owner Augie Guettlein a couple of times during January-May. We agreed in principle that Titan would use DWMD as fill work and complete about \$15,000 of repair before fall. Augie provided prices for several configurations. One of the prices was \$55/LF for 48" sidewalk, curb, 24" gutter. I met with Augie the last week of May and he opened the discussion with an announcement that due to a shortage of concrete labor and an increase in building activity, Titan was more than fully booked for the 2013 building season. He referred us to Jakelich Construction, a subcontractor Titan used on occasion.

In the initial meeting with Jacklich it was obvious Jeff Jacklich wasn't comfortable with a formula driven pricing algorithm and DWMD wasn't ready to allow Jacklich to price every repair. By 5/28 our discussions had resulted in a Heads of Agreement attached. However, on 6/2 Jeff emailed another proposal that increased prices again. \$55/LF for 48" sidewalk, curb, 24" gutter had increased 54% to \$84.40/LF

The schedule below shows how prices changed.

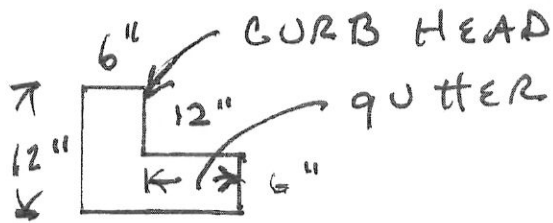
		Titan	5/28	6/2	A	B	Total
Sidewalk 4"	ft ²	6.50	7.25	7.50	11.5%	3.8%	15.4%
Sidewalk 6"	ft ²	8.00	8.75	8.90	9.4%	1.9%	11.3%
36" Sidewalk, Curb, 24" Gutter	LF	47.00	61.75	75.50	31.4%	29.3%	60.6%
48" Sidewalk, curb	LF	39.00	65.00	73.60	66.7%	22.1%	88.7%
48" Sidewalk, curb, 24" gutter	LF	55.00	70.50	84.40	28.2%	25.3%	53.5%
48" Sidewalk, curb, 30" gutter	LF	59.00	74.88	88.85	26.9%	23.7%	50.6%
48" Sidewalk, curb, 36" gutter	LF	63.00	79.25	93.30	25.8%	22.3%	48.1%
A Increase by Jacklich over Titan as of 5/28							
B Increase by Jacklich on 6/2 over Jacklich on 5/28							

As of 6/3/2013, my recommendation is to not enter into a contract. The supply of concrete finishing sources has become very tight and home builders are out bidding us for services. Labor is in short supply, but that will change in a couple of months.

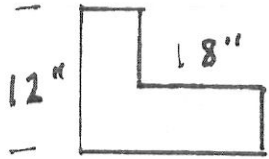
Examples of Unit Pricing

Code	Unit	Description	Cost
SW4	SF	4" thick sidewalk	7.25
SW6	SF	6" thick parking	8.75
36SC24G	LF	36"x6" Sidewalk Turndown Curb 24" gutter	61.75
48SC0G	LF	48"x6" Sidewalk Turndown Curb	65.00
48SC24G	LF	48"x6" Sidewalk Curb Turndown 24" gutter	70.50
48SC30G	LF	48"x6" Sidewalk Curb Turndown 30" gutter	74.88
48SC36G	LF	48"x6" Sidewalk Curb Turndown 36" gutter	79.25
C12G	LF	Curb 12" gutter	38.75
C24G	LF	Curb 24" gutter	47.50
C36G	LF	Curb 36" gutter	56.25
C42G	LF	Curb 42" gutter	60.63
C0G	LF	Curb no gutter	30.00
MC24	LF	Mountable Curb 24" width	35.50
MC30	LF	Mountable Curb 30" width	39.88
MC36	LF	Mountable Curb 36" width	51.54
MC42	LF	Mountable Curb 42" width	48.63

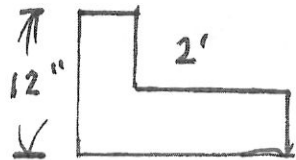
⑦



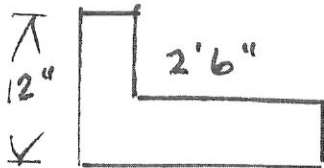
$$12" \text{ CURB} + \text{gutter} = 31.00 \text{ L.F.}$$



$$18" \quad 36.00 \text{ L.F.}$$

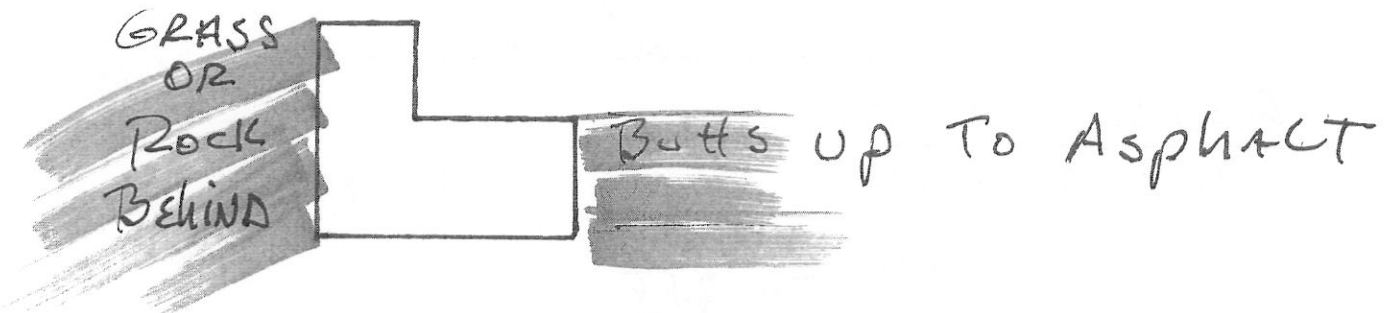


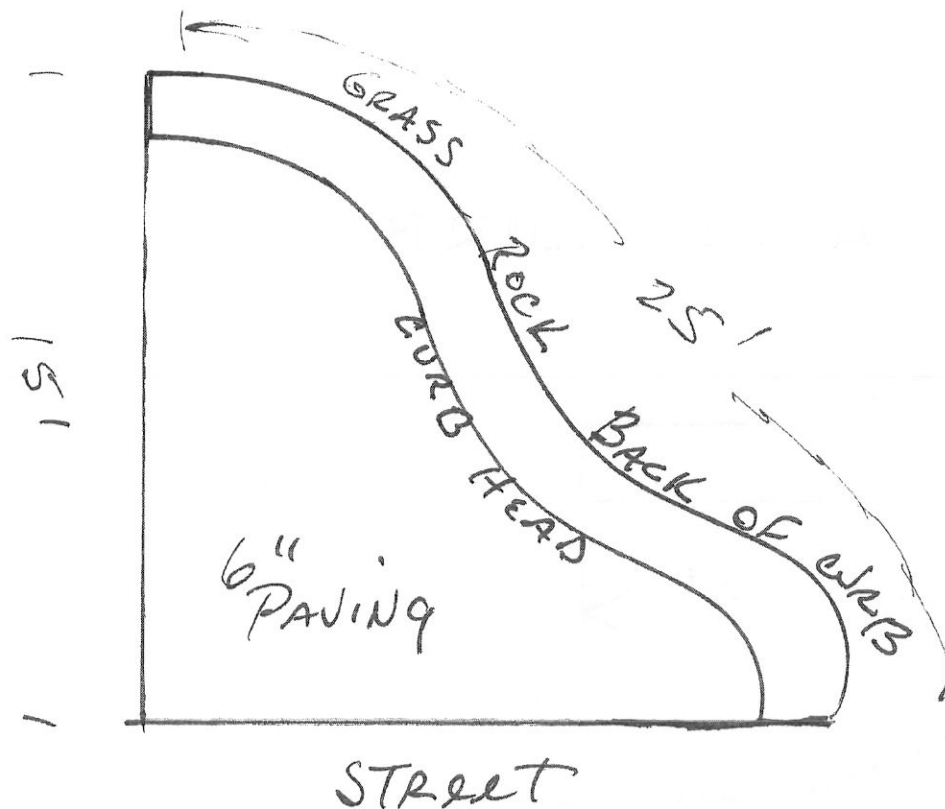
$$2' \quad 46.00 \text{ L.F.}$$



$$2'6 \quad 49.00 \text{ L.F.}$$

CURB & GUTTER STANDS ALONE





$$\begin{aligned}
 \text{FIGURED : } 15 \times 25 \div 2 &= 188 \text{ SQ. FT} & \text{BIDDING} \\
 &= 188 \times 8.90 = 1673.20 \\
 \text{CURB HEAD} &= 25' \times 36'' = 900.00 > 2573.00 \\
 \text{W/FORMED BACK} &
 \end{aligned}$$